

GATT OVERVIEW

Agriculture, Beef, Dairy, and Feed Grains

by

Allan E. Lines

**Department of Agricultural Economics
The Ohio State University**

February 1995

GATT AG OVERVIEW

↑ **WORLD INCOME \$5 TRILLION (10 years)**

- * Income Sensitive Commodities
(meats, fruits, vegetables)

- * Increased Demand for Grains/Oilseeds

↑ **U.S. AG EXPORTS**

- + \$1.6 - 4.7 Billion (2000)

- + \$4.7 - 8.7 Billion (2005)

75% Grains/Meats

GATT AG OVERVIEW

↑ EXPORT RELATED JOBS

+ 112,000 (2000)

+ 190,000 (2005)

↑ U.S. FARM PRICES/FARM INCOME

+ 1.3 Billion (2000)

+ 2.5 Billion (2005)

↓ GOVERNMENT SUPPORT PAYMENTS

- 1.3 Billion (2000)

- 2.6 Billion (2005)

GATT BEEF OVERVIEW

KEY FOR U.S. EXPORTS

EU ↓ Export Subsidies
817,000 tons (507,000 tons less than 91-92)

JAPAN ↓ Beef Tariff
from 50 - 38.5%

KOREA ↑ Beef Access
↑ by 119,000 tons by 2000

PHILIPPINES ↓ Beef Tariff
from 60 to 35% by 2004

THAILAND ↓ Beef Duties
from 60 to 50%

EFTA ↑ Beef Access
↑ 16,903 tons

S. AFRICA ↑ Beef Access
↑ 26,254 m tons

GATT BEEF OVERVIEW

U.S. COMMITMENTS

Access

Tariff 31.1 % to 26.4% (Replace Import Law)

**Tariff Quota 656,621 tons
+ 20,000 tons per year for Argentina and
Uruguay**

Export Subsidies

Beef Tonnage ↓ 21%

Beef \$ ↓ 36%

GATT FEED GRAIN OVERVIEW

KEY FOR U.S. EXPORTS

EU ↓ Export Subsidies

↓ 2.7 million tons

EU Minimum Purchase

2.5 million tons of corn
300,000 tons or sorghum

JAPAN ↑ Access Industrial

+ 450,000 tons quota free corn
+ 51,000 tons quota free barley

KOREA ↓ Tariff

Corn 1.2% ↓
Mixed Feeds 2.6% ↓

GATT FEED GRAIN OVERVIEW

KEY FOR U.S. EXPORTS (Cont'd)

KOREA ↑ Access

+ 23,582 tons Barley

PHILIPPINES / S. AFRICA ↑ Access

+ 476,940 tons Corn

POLAND ↑ Access

+ 250,000 tons Corn

TUNISIA

+ 200,000 tons Barley

MOROCCO

+ 204,000 tons Corn

GATT FEED GRAIN OVERVIEW

U.S. COMMITMENTS

Market Access

↓ Tariff by 55 to 75%

Corn ↓ 75%
Barley ↓ 56%

Export Subsidies

tons ↓ 345

\$ ↓ 21.6 million

GATT DAIRY OVERVIEW

KEY FOR U.S. EXPORTS

EU ↓ Export Subsidy Eligibility

97,000 tons less butter
65,000 tons less skim powder
122,000 tons less cheese
267,000 tons less other

EU ↑ Access for Cheese

Tariff Rate Quotas for 104,000 tons

EU ↑ Access for NF Dry Milk

Tariff Rate Quotas for 69,000 tons

JAPAN ↑ Access

+ 4,5000 tons Whey Powder
+ 2,200 tons Ice Cream Milk
↓ Tariffs
 Pizza cheese 36%
 Ice Cream, Yogurt 25%
 Ice Cream Powder 25%

GATT DAIRY OVERVIEW

KEY FOR U.S. EXPORTS (CONT'D)

KOREA ↑ Access

↑ 46,000 tons Whey

Unrestricted cheese, baby formula, other (36% tariff)

MALAYSIA ↓ Tariffs

From 40% to 10%

THAILAND ↓ Tariffs by 50%

TUNISIA ↑ Access

+20,000 tons NF Dry Milk

SWEDEN ↑ Access

+ 300 tons pizza cheese (10% duty)

EFTA ↑ Access

+4285 tons butter

Costa Rica ↑ Access

+671 tons milk products

GATT

DAIRY OVERVIEW

U.S. COMMITMENTS

Access ↑

Replace Section 22 (Tariffify)

NF Dry Milk ↓ 15%

Butter ↓ 15%

Cheese ↓ 15%

Tariff Rate Quotas

+30,992 tons

Export Subsidies ↓

Butter

↓ 21,892 tons

↓ \$14.3 million

NF Dry Milk

↓ 40,026 tons

↓ \$38.7 million

Cheese

↓ 799 tons

↓ \$2.7 million

Other

↓ 12,422 tons

↓ \$14.4 million

